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Finland

Solid Wood Products

Annual

2000

Approved by:
Robert C. Tetro
U.S. Embassy, Stockholm
Prepared by:
Asa Lexmon

Report Highlights:
A record high production level was reached in 1999 within the Finnish forestry sector. Imports of raw material increased by almost 10 percent in 1999. Finnish exports to European contries decreased by 6 percent in 1999. Exports ton non-European countries increased by 13 percent depending on the extremely good situation on the Japanese market. On the European market the Nordic countries met an increasing competition from the Baltic states.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
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Executive Summary

The Finnish economy is in a sound pace, the growth in GDP was 3.7 percent 1999. The Finnish forest industry, based on its abundant softwood raw material supply combined with a high rate of imports, increased overall production in 1999 by 2.5 percent compared to the year before. A record 11.7 million cum of sawn timber was produced, 4.5 percent more than in 1998. Paper and paperboard production increased by almost 2 percent and pulp production by 3 percent compared to 1998. Value of forestry exports came to FIM 66.2 billion (USD 12 billion). The EU is the most important market for Finnish wood products, in 1999 about 70 percent of total exports went to the EU. Export markets outside EU improved substantially, especially the Japanese market. Exports to the United States covered 6 percent of total forestry exports. Trade with the Asian market increased to 9 percent compared to 8 percent in 1998.

Prospects for 2000 are good, the growth in GDP will remain strong- approximately at a rate of 5.3 percent. The favorable development of demand which began in the second half of 1999 continued during the first quarter of 2000, supported by economic growth in Finland's main markets. Exports to the EU grew more than 16 percent in value in the first quarter of 2000. The starting economic recovery of the Asian countries seemed to have a positive impact on the demand of wood products, deliveries from Finland to the Asian region increased by 9 percent during the first quarter of 2000. The value of exports to North America increased by 7 percent.

In early 1999, the Government of Finland launched a new forest program - Finland's National Forest Program 2010. It is designed to meet the demands by international forest policy criteria as well as to cover forest and forest cluster utilization in Finland from an economic, ecological, social and cultural perspective. It continues the tradition of Finland's previous forest programs but will also include the principles that a competitive forestry combined with the fact that forests are a renewable resource, make an excellent foundation for sustainable development.

Finland has developed a forest certification model that has possibilities to be widely adopted. The reason behind the creation of the Finnish forest certification system (FFCS) is that forestry in Finland, unlike most countries, largely is a family business. The FFCS is based on the renewed forest and nature conservation legislation as well as on the enlargements of the conservation areas of old forest. In addition, the criteria of sustainable forest management together with present legislative conditions are consistent with the ten principles of good forest management by FSC. The EU Pan European Forest Certification (PEFC) also encompass the FFCS. A wider concept of the certification systems might lead to a combination of the various systems to be used on the international market. There are now 17 European countries behind the PEFC.

One of the largest British do-it-yourself chains, approved the Finnish system of forest certification (FFCS) in 1999. That was a great success for Finland's Forest Certification System.

Rates of exchange used in this report are:
CY 1998: USD 1.00 equals FIM 5.34
CY 1999: USD 1.00 equals FIM 5.58

Forest Situation/Outlook

Forest Situation

Finland has abundant forest resources, which are all part of the boreal coniferous zone. The growing stock comprises 1,927 million cum, of which 46 percent is pine, 36 percent spruce, 15 percent birch and 3 percent other broad-leaved species. According to the National Forest Inventory for 1992-1998, the annual volume increment was about 76.3 million cum. The drain in 1998 was 61 million cum.

The forest ownership in Finland is rather unique in that 62 percent of total forest area, or more than 12 million hectares belong to private owners, a total of 439,000 holdings. The state owns 25 percent and forest companies 9 percent, the remaining area is owned by municipalities, parishes and other collective bodies.

In early 1999, a new forest program - Finland's National Forest Program 2010 was launched. The background and purpose of the program include the aim to meet domestic and international requirements in order to develop forest management and protection along lines where the forests and forest cluster will provide Finland with as much work opportunities and sources of livelihood as possible, remain healthy, vital and diverse, and provide spiritual and physical recreation for the Finnish people. The goal of the program is to increase the annual harvesting of industrial roundwood to between 63 to 68 million cum by the year 2010 in such a way that the high level of silviculture and ecosystem management are sustained. Another goal is to increase the use of wood for energy by 5 million cum per year. Currently, the annual total use of solid wood fuel amounts to 13 - 15 million cum. Investments in new plants will create the potential for increasing this amount by 4,5 to 5,5 million cum by the year 2010.
Note: Forest Cluster is defined as an entity of forestry, forest and wood products industries, machine and equipment manufacturing, production of chemicals for the forest industry, automation, packaging, graphics industry, energy utilities, logistics and consulting enterprises together with associated training and research. Other clusters vital for Finland's competitiveness include telecommunication, basic metals, transport and energy.

The legislation on forestry and forest products industry was revised in 1997. The most important laws are:
- the Act on Regional Forestry Centers and the Forestry Development Center - 1996
- the Forest Act - 1997
- the Act on Financing of Sustainable Forestry 1997
- the Environmental Protection Act 1997

New regional forestry centers perform the very important tasks of promoting private forestry and overseeing its compliance with laws and regulations. The Ministry of Agriculture and Forestry holds the statutory responsibility for the overall direction of forest policy. The purpose of the Forest Act is to promote the management and use of forests in a manner that is economically, ecologically and socially sustainable, ensuring continuity of good yields at the same time as biodiversity of the environment is preserved. The requirement that biodiversity be safeguarded is the main change from earlier legislation and the Act lists habitats that are considered particularly important in this respect. The Act on Financing of Sustainable Forestry provides for funding to assist measures that the Forest Act promotes. The goals of the Environmental Protection Act are the preservation of biodiversity and supporting sustainable use of natural resources and the natural environment. The Act incorporates special provisions based on EU directives, international agreements, EU species protection programs and the Natura 2000 network in addition to a list of Finnish habitats to be protected.

Finland has been a member of the EU since January 1, 1995. The importance of forestry and forest industry to the EU increased considerably with the accession of Finland, Sweden and Austria in 1995.

Forest Outlook

There is a potential for increased felling up to 75 million cum a year based on the annual increment figure. However, based on calculations by the Finnish Forest Research Institute the largest sustainable roundwood production is 67 million cum per year up to 2005. After this it will rise to 69 million cum and then gradually to 74 million cum by the year 2030. If harvesting volumes were kept at these rates, the growing stock would remain at its present level until the year 2020, after which a small growth would take place. The annual increment would increase to 77 million cum by 2010 and to 90 million cum by 2030.

The Finnish government is not subsidizing the forest industry or manufacturers and/or producers of forest products. As 60 percent of productive forest land of the total 20 million hectares, are owned by farmers with small holdings, the government assists in silviculture and forest road building/ maintenance. During the years 1994-1998, the average annual subsidy amounted to FIM 100 million (USD 20 million), of which FIM 60 million (USD 12 million) were allocated to silviculture and FIM 40 million (USD 8 million) to road building and maintenance. After Finland joined the EU in 1995, the government increased the subsidy by about FIM 50 million to match the EU subsidy by 50 percent for afforestation of arable land and silvicultural measures. In 1998, the costs of silviculture and forest improvement works totaled FIM 1,167 million, subsidies totaled FIM 302 million leaving FIM 676 million to be financed by the private forest owners themselves. The socially important family forestry in Finland works well provided that advisory and training services and support for least profitable activities are available. In order to fulfil this part of the policy, the GOF will increase subsidy for silviculture and forest improvement by FIM 60 million and for planning, training and advisory services by FIM 55 million per year. With this support, the forest owners are expected to increase their own input by approximately FIM 380 million.

In Finland's National Forest Program 2010, government subsidies to the private forest owners amounted to FIM 290 million in 1999 (USD 52 million), FIM 350 million (USD 63 million) in 2000, and FIM 340 million (USD 61 million) in 2003. The increase in the year 2000 is based on projected increased logging and, thus, larger silviculture needs. In addition, the government subsidizes promotional and supervisory domestic forestry organizations at around FIM 200 million (USD 36 million) annually, which also is projected to increase in year 2000 to about FIM 250 million (USD 45 million) to cover increased forest planning needs and extra administrative data communication expenses.

Solid Wood Products Situation Outlook

Production and export quantities of the major forestry products in Finland are given below:

	Finnish Forest Products Industry 1999				
Product	Volume	Production	Exports	Share of exports in production %	Number of production plants
Paper Industry	Million tons	10.3	9.4	91	28
Paper Board Industry	Million tons	2.6	2.2	85	14
Pulp Industry	Million tons	11.6	1.9	16	43
Sawmill Industry	Million CUM	11.7	8.4	71	170 1)
Plywood Industry	1,000 CUM	1076	939	81	16
Particle Board Industry	1,000 CUM	439	183	41	3
Fiber Board Industry	1,000 tons	96	62	65	2
1) Industrial sawmills					

The output of Finnish sawmills in 1999 totaled 11.7 million cum. Finland ranks third in Europe as a producer of sawn softwood after Sweden and Germany. Almost all of the timber sawn is pine or spruce, some of which is planed or otherwise made into higher value added products. Only very small quantities of birch are sawed.

The traditional raw material in the Finnish plywood industry is birch logs, which are now being supplemented to a growing extent by spruce. Capacity has increased substantially with the addition of new softwood mills during the 1990's. The industry's main products are birch and softwood plywood in addition to a variety of combi plywoods, in which the surface layer is birch. It also manufactures block boards and a product where softwood veneers are glued together to create panels 27-75 mm thick.

Wood chips and smaller quantities of sawdust are the raw materials from which particle board are made. Thus Finnish particle board manufacturer use by-products of other parts of the mechanical wood processing sector.

Finnish fiber board mills use the wet process. The main raw material is wood waste generated as a by-product in other mechanical wood processing operations, in addition to small quantities of birch pulpwood.

A growing proportion of the mechanical wood processing industry's sawn timber and panel products is further processed to varying degrees, yielding articles for use in building and renovation as well as by the building products, joinery and furniture industries both in Finland and abroad. Wooden buildings and wooden building components are either prefabricated in factories or manufactured directly on site. With the exception of saw millers and panel producers, the wood products industry in Finland is highly dependent on the small domestic market as exports in this category are very insignificant.

The forest industry is highly integrated. There are only three major companies, Stora-Enso,UPM-Kymmene and Metsaliitto. They all have their own sales offices in Finland and in their major European markets, and also have large holdings in other countries. In addition, they are strengthening via mergers and cooperation. In 1999, StoraEnso bought the American company Consolidated Papers and thereby became the largest paper- and cardboard producer in the world. At the same time the Finnish UPM-Kymmene merged with American Champion International and is thereby the third biggest forest industry in the world.

The independent sawmills traditionally work through wholesale agencies and/or agents with direct customer contacts in their export markets, mainly EU. The Nordic Timber Council, head office in Stockholm, is the joint promotional forum for Finish, Swedish and Norwegian lumber producers. The council has offices in Spain, United Kingdom, France and the Netherlands. The promotion project starts in United Kingdom in July 2000 and will be going on throughout year 2000. Next year the project will be aimed at promotion in Germany and Netherlands. USD 7.3 million is funded for the project, out of which USD 1.2 million is funded by the British industry. The environmental aspects will be the red line through the project.

A Forest Cluster Database has been created coordinating European research centers and enterprises of different forest cluster related sectors. The database is available on Internet, address: http://www.database.forestcluster.com. It covers all European Union countries and also Norway and Switzerland.

Trade

Overview

The main market for Finnish forestry products is Europe, which in 1999 accounted for 70 percent of exports. Within the EU, Germany, the UK and France are the main individual markets. The largest potential for growth is in the Asian markets, where consumption of forest products is lower than in other markets, but rising faster.

In spite of the large volumes of available stocks, imports of wood raw material are high, in 1999 12 million cum. Russia is the main supplier of total raw material imports. The Combined Nomenclature (CN) used by the Finnish Customs compiling the official statistics, does not allow for differentiating between pulpwood and timber, hence a comparison with domestic raw material prices cannot be made.

The table below show the import and export volumes of raw material for the years 1997-1999, 1,000 cum.

	Import 1997	Import 1998	Import 1999	Export 1997	Export 1998	Export 1999
Softwood logs	3,093	3,138	4,400	603	652	762
Hardwood logs	4,787	6,253	7,136	19	19	22
Fuel wood	47	124	130	4	4	6
Chips	597	532	633	175	170	179
Wood residue	505	564	612	11	19	22
	9,028	10,611	12,911	813	864	991

Outlook

The record high production of forest products in 1999 is expected to continue in 2000, and increase successively in the following five- year period by 4 to 5 percent. Production of softwood lumber increased by 500,000 cum to a new record volume of 11.7 million cum at the same time as exports increased by 100,000 cum to a record figure of 8.4 million cum. Exports to European countries covered 68 percent of total exports in 1999, compared to 73 percent in 1998. Exports to non-European countries increased by 13 percent, due to the extremely good situation on the Japanese market. Of the four major European softwood exporters to Japan (Finland, Sweden, Austria and Norway), Finland remains as the major supplier. The trade in softwood lumber with Japan started in 1992/93 with very small quantities. In 1999, Finnish exports to Japan increased by 150 percent to 679,000 cum.

From the time the Pinewood Nematode (PWN) was discovered in a shipment of pine chips to Finland from the United States in 1982, this trade has stopped completely. If the PWN threat can be solved, wood chips from the United States might once again become a competitive product on this market. Finland is a net exporter of coniferous lumber, thus the kiln-dried requirement now in force in the EU on lumber from the United States cannot be regarded as a non-tariff barrier.

On May 31 2000, a Decree (The Ministry of Agriculture and Forestry Regulation NO 53/00) that regulates the movement of coniferous wooden packing material originating in Canada, China, Japan, Korea, Mexico, Taiwan and the U.S. into Finland came into force. The regulation establishes further measures to inhibit the Pinewood Nematode (PWN) from spreading through imported coniferous wood packing material. Coniferous wooden packing material from the above mentioned countries have to be accompanied by a phytosanitary certificate. The decision has been taken because Finnish plant health authorities have found, in monitoring inspections, numerous infestations of wood packing material with pinewood nematode.

Competitor Activities

Finland is competing on the European market with Sweden, Canada and the United States and also the Baltic states and Russia. The level of supply in Europe from the Baltics continues to increase, the Baltics have more than doubled their export volumes to Europe in four years. This development, of course, is a threat to Finnish exporters. The Russian export to the European market in 1999 did not increase as much as the Baltics exports though. Canada's exports to the European market increased only marginally. The Finnish exports decreased by 0.3 million cum (6 percent), Swedish exports to the European market decreased by 0.25 million cum (3 percent) to 9.0 million cum. It is very likely that the increase in imports from the Baltics, Russia and Canada altogether was bigger than the decrease in imports from Sweden and Finland. The strong development on export markets outside Europe continued during 1999, the Japanese market was extremely strong. Finland increased its exports to Japan by 150 percent. Finland has an competitive advantage to Sweden due to the relatively strong Swedish krona against the euro. Finland did, unlike Sweden, join EMU from the start on January 1, 1999.

Finland's gateway position between east and west was also emphasized when Finland became a member of the EU. As the only EU member state bordering Russia, Finland is a vital transit channel to the Russian markets. Finns know how to do business in Russia and the Baltic states. Many foreign and U.S. companies are using Finland as a base for opening their transportation and marketing activities to the former Soviet Union.

The question of certification of forestry products, which begun in 1995 led to the launching of a joint nordic forestry certification project in 1996 between Sweden, Norway and Finland with the aim of achieving the same status on the market for certified forestry in all three countries. Finland has developed a forest certification model that has possibilities to be widely adopted. The reason behind the creation of the Finnish forest certification system (FFCS) is that forestry in Finland, unlike most countries, largely is a family business. About 80 percent of the domestic wood bought by the industry comes from small-scale wood lots, 30-40 hectares by average size. Altogether, private families own 62 percent of the total forest area, 69 percent of the growing stock and 72 percent of the annual increment. The FFCS is based on the renewed forest and nature conservation legislation as well as on the enlargements of the conservation areas of old forest. The criteria of sustainable forest management (SFM) and the verification of chain-of-custody in the Finnish system together with present legislative conditions are consistent with the ten principles of good forest management by FSC. The industry fully supports the FFCS. The EU Pan European Forest Certification (PEFC) aiming at establishing an internationally credible framework for forest certification applicable to small-scale forestry also encompass the FFCS. A wider concept of the certification systems might lead to a combination of the various systems to be used on the international market. There are now 17 European countries behind the PEFC.

In 1999 B&C, one of the largest British do-it-yourself chains, has approved the Finnish system of forest certification (FFCS). That was a great success for Finland's Forest Certification System. The products purchased by the British company will be accompanied by a label signifying that the products originate from well-managed Finnish forests and that this has been certified by a third, neutral party.

Statistical Information

Forest Area

STRATEGIC INDICATOR TABLE: FOREST AREA (million hectares/million cum)			
FINLAND	Previous	Current	Following
2000	Calendar Year	Calendar Year	Calendar Year
Total Land Area	30.5	30.5	30.5
Total Forest Area	26.3	26.3	26.3
--of which, Commercial	20	20	20
----of commercial, tropical hardwood	0	0	0
----of commercial, temperate hardwood	3.5	2	2
----of commercial, softwood	16.5	18	18
--of forest area, non-commercial	6.3	6.3	6.3
Forest Type	spruce, pine, broadleaved (mainly birch)		
--Of which, virgin	0	0	0
--Of which, plantation	n/a	n/a	n/a
--Of which, other commercial (regrowth)	n/a	n/a	n/a
Forest Ownership	Private, company, national		
--Nationally owned and no commercial access	5.1	3.8	3.8
--Nationally owned, commercial logging permitted	3.8	4.8	4.8
--Other publicly owned land, no commercial access	1.2	0.25	0.25
--Other publicly owned, logging permitted	2	1	1
--privately owned commercial forest	14.2	16.3 1)	16.3 1)
Total Volume of Standing Timber	1,887	1,927	1,927
--Of which, Commercial Timber	1,839	1,755	1,755
Annual Timber Removal 1/	55	55	55
Annual Timber Growth Rate	77.6	78.3	78.3
Annual Allowable Cut	75	75	75
1) No commercial land included			

Forest Product Tariffs

STRATEGIC INDICATOR TABLE: FORESTPRODUCT TARIFFS AND TAXES (percent)						
		Tariff	Tariff	Other		
FINLAND	Product	Current	Following	Import	Total Cost	Export
2000	Description	Year	Year	Taxes/Fees	of Import	Tax
4401	Fuel wood	0	n/a			
4403	Logs, rough	0	n/a			
4404	Wood roughly squared	0	n/a			
4405	Wood wool	0	n/a			
4406	Railway sleepers	0	n/a			
4407	Lumber	0 2.5	n/a			
4408	Veneer	0 6	n/a			
4409	Wood, planed, etc.	0	n/a			
4410	Particle boards	7	n/a			
4411	Fiber boards	7	n/a			
4412	Plywood	6 10	n/a			
4413	Wooden Beadings	0	n/a			
4414	Wooden picture frames	2.5	n/a			
4415	Wooden packing cases	3 4	n/a			
4416	Casks, barrels	0	n/a			
4417	Tools	0	n/a			
4418	Builders' joinery	0 3	n/a			
4419	Household utensils	0	n/a			
4420	Dec. wooden utensils	0 4	n/a			
4421	Other wood products	0 4	n/a			
Pre-fabricated Houses, a subsection under chapter 96						
9406	Prefabricated houses of wood	2.7	n/a			

Softwood Logs- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Softwood Logs				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1996		01/1997		01/1998
Production	29000	28000	0	29000	0	29000
Imports	3500	4400	0	3500	0	3500
TOTAL SUPPLY	32500	32400	0	32500	0	32500
Exports	700	762	0	700	0	700
Domestic Consumption	31800	31638	0	31800	0	31800
TOTAL DISTRIBUTION	32500	32400	0	32500	0	32500

Export Trade Matrix			
Country	Finland		
Commodity	Softwood Logs		
Time period	CY	Units:	1.000 CUM
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Sweden	308	Sweden	305
Egypt	140	Germany	189
Germany	112	Egypt	176
United Kingdom	44	United Kingdom	33
Norway	34	Ireland	20
Japan	31	Turkey	13
		Norway	9
		Italy	6
		Israel	6
		Greece	1
Total for Others	669		758
Others not Listed	58		4
Grand Total	727		762

Import Trade Matrix			
Country	Finland		
Commodity	Softwood Logs		
Time period	CY	Units:	1.000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Russia	2993	Russia	3824
Estonia	239	Estonia	327
Germany	142	Germany	130
Latvia	105	Latvia	53
Sweden	27	Sweden	44
Belarus	14	Belarus	26
Total for Others	3520		4404
Others not Listed	3		5
Grand Total	3523		4409

Prices Table			
Country	Finland		
Commodity	Softwood Logs		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	303	315	+4%
Exchange Rate	FIM 5.58	Local currency/US $1.00	

Softwood Lumber- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Softwood Lumber				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1996		01/1997		01/1998
Production	11500	11700	0	11750	0	11750
Imports	150	219	0	150	0	150
TOTAL SUPPLY	11650	11919	0	11900	0	11900
Exports	8500	8323	0	8500	0	8500
Domestic Consumption	3150	3596	0	3400	0	3400
TOTAL DISTRIBUTION	11650	11919	0	11900	0	11900

Export Trade Matrix			
Country	Finland		
Commodity	Softwood Lumber		
Time period	CY	Units:	1,000 CUM
Exports for:	1998		1999
U.S.	38	U.S.	54
Others		Others	
United Kingdom	1378	United Kingdom	1357
Germany	1103	Germany	1161
France	883	France	842
Netherlands	787	Egypt	765
Egypt	772	Japan	679
Denmark	605	Netherlands	647
Japan	433	Denmark	565
Algeria	323	Algeria	383
Israel	282	Israel	327
Italy	270	Italy	254
Total for Others	6836		6980
Others not Listed	1438		1343

Grand Total	8312		8377

Import Trade Matrix			
Country	Finland		
Commodity	Softwood Lumber		
Time period	CY	Units:	1,000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Russia	113	Russia	180
Estonia	28	Estonia	32
Latvia	2	Sweden	3
Sweden	1	Latvia	1
Canada	1		
Total for Others	145		216
Others not Listed	4		3
Grand Total	149		219

Prices Table			
Country	Finland		
Commodity	Softwood Lumber		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	1245	1480	+19%
Exchange Rate	FIM 5.58	Local currency/US $1.00	

Hardwood Veneer- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Hardwood Veneer				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Production	25	25	0	25	0	25
Imports	10	6	0	10	0	10
TOTAL SUPPLY	35	31	0	35	0	35
Exports	10	9	0	10	0	10
Domestic Consumption	25	22	0	25	0	25
TOTAL DISTRIBUTION	35	31	0	35	0	35

Export Trade Matrix			
Country	Finland		
Commodity	Hardwood Veneer		
Time period	CY	Units:	1,000 CUM
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Sweden	3	Sweden	3
Italy	1	Italy	1
Germany	1		
Total for Others	5		4
Others not Listed	7		5
Grand Total	12		9

Import Trade Matrix			
Country	Finland		
Commodity	Hardwood Veneer		
Time period	CY	Units:	1,000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Sweden	1		6
Germany	1		
Russia	1		
Total for Others	3		0
Others not Listed	0		0
Grand Total	3		0

Prices Table			
Country	Finland		
Commodity	Hardwood Veneer		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	9313	11500	+23%
Exchange Rate	FIM 5.58	Local currency/US $1.00	

Softwood Veneer- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Softwood Veneer				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1993		01/1994		01/1995
Production	100	100	0	100	0	100
Imports	0	0	0	0	0	0
TOTAL SUPPLY	100	100	0	100	0	100
Exports	70	59	0	70	0	70
Domestic Consumption	30	41	0	30	0	30
TOTAL DISTRIBUTION	100	100	0	100	0	100

Export Trade Matrix			
Country	Finland		
Commodity	Softwood Veneer		
Time period	CY	Units:	1,000 CUM
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
France	32	France	25
Sweden	20	Sweden	21
Germany	6	Norway	3
Norway	3		
Total for Others	61		49
Others not Listed	11		10
Grand Total	72		59

Import Trade Matrix			
Country	Finland		
Commodity	Softwood Veneer		
Time period	CY	Units:	1,000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Total for Others	0		0
Others not Listed			
Grand Total	0		0

Prices Table			
Country	Finland		
Commodity	Softwood Veneer		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	1670	1900	+14%
Exchange Rate	FIM 5.58	Local currency/US $1.00	

Hardwood Plywood- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Hardwood Plywood				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1999		01/2000		01/2001
Production	600	498	0	550	0	550
Imports	20	18	0	20	0	20
TOTAL SUPPLY	620	516	0	570	0	570
Exports	500	426	0	450	0	450

Domestic Consumption	120	90	0	120	0	120
TOTAL DISTRIBUTION	620	516	0	570	0	570

Export Trade Matrix			
Country	Finland		
Commodity	Hardwood Plywood		
Time period	CY	Units:	1,000 CUM
Exports for:	1998		1999
U.S.	17	U.S.	14
Others		Others	
Gemany	147	Germany	141
United Kingdom	33	France	32
Netherlands	32	Netherlands	30
Italy	29	United Kingdom	30
France	28	Italy	29
Denmark	18	Spain	22
Sweden	17	Austria	20
Spain	17	Sweden	17
Norway	16	Norway	15
Austria	16	Denmark	13
Total for Others	353		349
Others not Listed	76		63
Grand Total	446		426

Import Trade Matrix			
Country	Finland		
Commodity	Hardwood Plywood		
Time period	CY	Units:	1,000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Russia	7	Russia	11
Latvia	5	Latvia	4
Estonia	4	Estonia	2
Indonesia	2		
Total for Others	18		17
Others not Listed	3		1
Grand Total	21		18

Prices Table			
Country	Finland		
Commodity	Hardwood Plywood		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	4608	4490	-3%
Exchange Rate	FIM 5.58	Local currency/US $1.00	

Softwood Plywood- PSD, Trade Matrices and Prices Tables

PSD Table						
Country	Finland					
Commodity	Softwood Plywood				1000 CUBIC METERS	
	Revised	1999	Preliminary	2000	Forecast	2001
	Old	New	Old	New	Old	New
Market Year Begin		01/1996		01/1997		01/1998
Production	400	578	0	600	0	600
Imports	5	2	0	5	0	5
TOTAL SUPPLY	405	580	0	605	0	605
Exports	365	433	0	460	0	460
Domestic Consumption	40	147	0	145	0	145
TOTAL DISTRIBUTION	405	580	0	605	0	605

Export Trade Matrix			
Country	Finland		
Commodity	Softwood Plywood		
Time period	CY	Units:	1,000 CUM
Exports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Netherlands	88	Netherlands	123
Germany	51	Germany	66
United Kingdom	47	United Kingdom	56
Sweden	39	Sweden	50
Denmark	23	Denmark	30
France	20	France	28
Norway	12	Italy	22
Italy	10	Ireland	21
Belgium	6	Norway	16
Japan	1	Belgium	6

Total for Others	297		418
Others not Listed	35		15
Grand Total	332		433

Import Trade Matrix			
Country	Finland		
Commodity	Softwood Plywood		
Time period	CY	Units:	1,000 CUM
Imports for:	1998		1999
U.S.	0	U.S.	0
Others		Others	
Total for Others	0		0
Others not Listed	4		2
Grand Total	4		2

Prices Table			
Country	Finland		
Commodity	Softwood Plywood		
Prices in	FIM	per cum	
Year	1998	1999	% Change
Average year	2126	2793	+30%
Exchange Rate	FIM 5.58	Local currency/US $1.00	